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27 Mar 89

Director  
Intelligence Community Staff  
Washington, D.C. 20505

20 MAR 1989

CMTE 25-SR

NFIC 2.1/47  
20 March 1989

MEMORANDUM FOR: National Foreign Intelligence Council

SUBJECT: Proposal to Improve the DCI's Process for  
Requirements, Priorities, and Evaluation

1. Attached for your review is a copy of the current version of the evolving, comprehensive proposal to improve the DCI's top-level system for requirements, priorities, and evaluations, et al.

2. This opportunity to comment on our proposal was promised by my Deputy Director for Requirements and Evaluation (DDR&E), [ ] over the last several months and most recently in early January of this year.

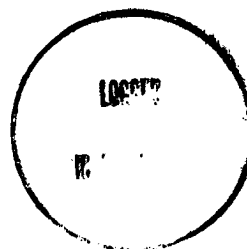
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3. As you no doubt have been advised by your own officers, we have been working on this proposal in the Community in an iterative, evolutionary fashion for the last year or so. The purpose has been to understand our existing system and to create a practical, constructive proposal which satisfies the longstanding, stated objectives of DDCI Gates (in his original and subsequent instructions) and the responsibilities of the DCI under Executive Order 12333 and others. This specific proposal is the result of several interactions between the DDR&E and your members on his Ad Hoc Steering Group over the last six-plus months.

4. This is an issue we have to address--because of the Acting DCI's instructions and the growing Congressional and public recognition that policy-intelligence interactions must be strengthened. Major milestones of the project include the following:

- o A report on the status (based on interviews with senior intelligence officials) of the existing process for requirements and priorities, together with several ideas for its improvement.

All portions of this memorandum  
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- o An extensive interagency review and assessment of the DCI's existing process and ideas for its improvement.
- o A comprehensive proposal to improve the DCI's process that capitalizes on constructive, practical ideas developed during review by the Intelligence Community.

5. The newest changes, which we were not able to provide to you earlier, are those required as a result of National Security Decision No. 1 and our discussions at the DCI's Senior Management Conference.

6. During those transactions, the DDR&E had promised, and has tried to take on board, your many comments in an effort to create as useful and focused a proposal as possible. We have included alternative ideas, where appropriate, so that you can see the other views we are aware of and judge to be worth maintaining, as we proceed towards a decision by the DCI.

7. This version will not satisfy everyone fully, just as the earlier versions did not either, although we have done our best to do so. In general, all of the inputs do not fit together. Key examples of areas of continuing concern include:

- o Creation of a source book or reference aid of US policy and programs affecting intelligence.
- o The role in this new process for intelligence production requirements.
- o The pace of this modernization.

8. As you review the attached package, I think it would be beneficial to keep in mind the original (from early to mid 1987) intended purpose of this effort at improvement. The key idea was to address areas which will improve support to the DCI in executing his Community responsibilities. The focus was primarily on improving the capabilities to provide:

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- o Systematic, comprehensive evaluation of Intelligence Community performance, to include:
  - Better assessments of consumers' intelligence needs and how these needs translate into both near-term and long-term production and collection requirements.
  - A better linkage between known intelligence production and collection requirements/shortfalls and future investment strategies.
- o A more integrated assessment of collection requirements and collection system performance across disciplines.
- o Stronger involvement of Community production elements in our assessments of requirements satisfaction, including movement of the IPC Staff to the ICS and a closer ICS association with the National Intelligence Council and the DCI Production Committees.

The DDR&E was to be responsible for organizing the structured mechanism for translating policymakers' intelligence needs into requirements, assigning priorities to these requirements, evaluating collection and production performance against these requirements, and providing feedback for near-term improvements and future investment strategies.

9. In keeping with the then Acting DCI's instructions, the project was conducted so as to achieve the following goals simultaneously:

- o Increase relevance of the process to US national security policy.
- o Provide coherence and linkage among components.
- o Seek simplification and consolidation.

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10. The proposal has been prepared in the form of four attachments. Attachment A consists of charts that summarize the existing process. Attachment B provides a description of the proposal and its initiatives. Attachment C consists of charts that summarize the proposal to improve the process. Attachment D highlights the DCI responsibilities under Executive Order 12333 that are not now fully engaged, and outlines the initiatives proposed to meet those responsibilities.

11. The key features of the proposal, as set forth in Attachment B, include the following:

- o A bibliography or source book of US policy and programmatic actions that affect intelligence activities.
- o A consolidated and simplified process for identifying and prioritizing top-level national intelligence requirements.
- o An expanded DCI effort to levy, if necessary, national analytical tasks on departmental intelligence production organizations, in consultation with those organizations.
- o Enhanced cross-discipline collection support of top-level national intelligence requirements and priorities.
- o A compendium of key intelligence gaps and their importance toward satisfying top-level national intelligence requirements.
- o Expanded use of the interagency evaluation process (begun with the 1987 SSCI Report) to guide and enhance NFIP investment strategies and top-level intelligence requirements and priorities.

12. To that end, I would appreciate receiving any views you may still have about this material by COB, 27 March 1989. We will use that material to create a Decision Package for the DCI

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and will address your inputs. Inputs which contain major problems we cannot resolve will be included in our package for the DCI, so that he has them available for his own review.

13. If you have any questions, please let me know, or have your senior staff contact [redacted] or [redacted] (the Assistant to the DDR&E and senior project officer) [redacted]

[redacted]  
Edward J. Heinz  
Lieutenant General USAF

Attachments:

- A. Charts--Overview of Existing Process
- B. Proposal to Improve Process
- C. Charts--Proposal to Improve Process
- D. DCI Responsibilities to be Fully Engaged

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